UNITED STATES DEPARTMENT OF AGRICULTURE
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THE WHEAT SITUATION
Including Rye

Summary

A world wheat crop * a little larger than last year is in prospect - if early indications in the Northern Hemisphere countries are borne out, and if yields in Argentina are more nearly normal than in 1937, and yields in Australia are not greatly reduced by drought. Moisture conditions in Canada are better than they have been in several years, and conditions in Europe are near average except in the Mediterranean countries, where prospects are generally unsatisfactory.

An increase of about 3 percent in the world* wheat acreage for harvest in 1938 is now indicated by available reports, according to the Bureau of Agricultural Economics. Estimates of the 1938 wheat acreage in 22 reporting countries indicate an increase of 4 percent in the Northern Hemisphere.* These 22 countries represented about 89 percent of the harvested acreage of the Northern Hemisphere* in 1937. In Australia, however, a decrease of about 1½ million acres from last year's seedings is expected. And this decrease, if not offset by increased seedings in Argentina, would indicate an increase of only about 3 percent in the world acreage.* The increase over the 1937 acreage is due principally to the large acreage for harvest in the United States and the increased seedings in the Danubian countries. The acreage increase in three of the Danubian countries more than offsets a decline in 11 other European countries for which reports are available. Acreage decreases are indicated for Canada and North Africa.

A winter wheat crop in the United States of 754 million bushels was indicated by the May 1 condition. This is about 4 percent more wheat than was indicated a month earlier. Conditions have been generally favorable for the early

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* Excluding Soviet Russia and China.

seeding of spring wheat although additional moisture is still needed in western North Dakota and eastern Montana. It is still too early to forecast spring wheat yields. If yields are average on the acreage indicated in the March 1 prospective plantings report, however, a spring wheat crop of about 200 million bushels would be produced. If these indications materialize, domestic production of all wheat would total approximately 950 million bushels. A crop of this size would be about 280 million bushels in excess of the 5-year (1932-36) average domestic disappearance of 670 million bushels. If the carry-over on July 1 this year turns out to be about 200 million bushels and exports in 1938-39 do not exceed those for 1937-38, the carry-over into July 1939 may approximate the record peak of 378 million bushels carried over in 1933.

As at least a partial offset to the effect of this supply situation on price, loans provided under the Agricultural Adjustment Act of 1938 would serve as a check on declining prices. If parity price remains about unchanged, loans to farmers under the Act would average not less than 60 cents, about 10 cents below current average local market prices.

The trend in domestic and foreign wheat prices is expected to continue downward as further adjustment is made toward the new-crop basis. While prospects at present are for a large world crop, any reverses over wide areas will be reflected in higher prices. This is especially true of hard milling wheat, inasmuch as the remaining world stocks of good quality hard wheat are small.

The area sown to rye in 13 countries for which reports are available indicates an increase of about 2 percent compared with the sown acreage last year. The acreage of rye for harvest in the United States as of May 1 was estimated at 4,059,000 acres which represents an increase of about 6 percent over the 1937 acreage. May 1 condition was estimated at 82 percent of normal. Germany, Poland and Czechoslovakia, all important producing countries, show slight increases. The condition of fall sown rye in the principal producing countries of Europe ranges around average.

THE WORLD WHEAT SITUATION

BACKGROUND.- Total world supplies of wheat, after increasing from 1929 to 1933, declined sharply following successive years of small production and increased world demand. The apparent world disappearance has averaged about 3,770,000,000 bushels during the past 10 years. World prices of wheat moved steadily upward from the spring of 1933 to the summer of 1937, reflecting higher world commodity price levels, four successive below-average harvests in North America, and the 1935-36 short Southern Hemisphere crop. In 1936-37 wheat prices advanced sharply as a result of increased demand and the smallest supplies in recent years.

World wheat production, excluding that of Soviet Russia and China, in 1937-38 is estimated at 3,825,000,000 bushels, or about 290 million bushels larger than in 1936-37. However, world stocks on about July 1, 1937, excluding those of Soviet Russia and Asia, were about 210 million bushels smaller than a year earlier, resulting in total supplies in 1937-38 about 80 million bushels larger than the small supplies in 1936-37. Net exports from Soviet Russia in 1937-38 may be about 35 million bushels compared with 4 million bushels in 1936-37.

Larger world crop than last year probable

Estimates of the 1938 wheat acreage in 22 countries total 205 million acres or 4 percent more than in these same countries a year earlier (table 1). This estimated acreage amounts to 89 percent of the 1937 harvested acreage of the Northern Hemisphere, excluding Soviet Russia and China.

Most of the acreage increase has occurred in the United States where substantial increases over the large acreage harvested in 1937 are indicated for both winter and spring wheat. The total wheat acreage indicated for harvest in Canada is 24,719,000 acres, compared with 25,570,000 acres harvested in 1937. In the 14 European countries reporting, the area in wheat is placed at 62,234,000 acres, compared with the 1937 acreage of 61,480,000 acres.

In Canada a decrease of 745,500 acres in the area sown to spring wheat is indicated by farmers' intentions as of May 1, according to the Dominion Bureau of Statistics in Ottawa. The principal decrease is expected to take place in Saskatchewan. Increases are expected in both Manitoba and Alberta. The acreage of durum will be decreased considerably, the intentions for 1938 showing 1,693,000 acres, compared with 2,322,000 acres sown in 1937. This decrease is expected to take place mainly in the important durum producing Province of Manitoba, with a substitution of rust-resistant bread wheats more than offsetting the reduction in durum. The area of fall wheat remaining for harvest is reported at 613,000 acres, which is 15 percent (105,300 acres) less than the area harvested in 1937. The winter-kill this year is estimated

Table 1.- Wheat acreage in specified countries, 1936-1938

(acreage sown, except as otherwise stated)

Country	Year of harvest		
	1936	1937	1938
	1,000 acres	1,000 acres	1,000 acres
United States:			
Winter 1/	37,687	46,947	50,677
Spring 1/	11,176	17,514	22,282
Canada, all wheat 1/	25,605	25,570	24,719
Total (3 countries)	74,468	90,031	97,678
Europe:			
Belgium 2/	420	422	428
Czechoslovakia	2,296	2,107	2,135
England and Wales	1,704	1,732	1,807
France 2/ 3/	12,536	12,772	12,352
Germany 2/	4,757	4,335	4,507
Greece	2,065	2,118	2,055
Italy	12,737	12,906	12,439
Lithuania 2/	349	379	357
Poland 2/	3,748	3,736	3,781
Portugal 2/	1,157	1,093	4/ 1,310
Total (10 countries)	41,769	41,600	41,171
Bulgaria 2/	2,596	2,845	2,874
Hungary 2/	4,045	5/ 3,727	5/ 4,139
Rumania 2/	7,720	7,966	8,827
Yugoslavia 2/	5,466	5,342	5,223
Total (4 countries)	19,827	19,880	21,063
Europe (14 countries)	61,596	61,480	62,234
Africa:			
Morocco	3,194	3,027	4/ 3,089
Algeria	4,287	4,311	4,139
Tunisia	1,221	2,429	4/ 1,310
Egypt	1,464	1,421	1,470
Total (4 countries)	10,166	11,188	10,008
India (April estimate)	33,666	33,415	33,706
Japan	1,688	1,776	1,757
Total (22 countries)	181,584	197,890	205,383
Estimated Northern Hemisphere total, excluding U.S.S.R. and China	215,400	229,800	

1/ Acreage harvested, or for harvest.
2/ Winter wheat. 3/ Area sown up to January 1.
4/ Estimated in the Paris office of the Bureau of Agricultural Economics.
5/ Estimated in the Belgrade office of the Bureau of Agricultural Economics

at 9 percent, compared with 8 percent last year. The condition of fall-sown wheat on April 30 was reported at 94 percent of normal, the same as reported a year earlier. Moisture reserves have been built up over most of the Prairie Provinces and the crop enters the growing season under more favorable conditions than in 1937, although unfavorable weather has delayed seeding in many sections.

Over much of Europe unseasonably cold weather, combined with drought, has retarded the growth of the crop. This is especially true of France and of northern Italy. In France, at the beginning of May, the wheat was reported to be turning yellow, except on heavy soils; spring wheat sowings were made under favorable conditions but germination has been poor. Rains were received in Italy about the middle of May but it is believed they were too late to cause much improvement in the wheat crop in the northern part of the country. The crop in the central and southern portions benefited, however. A much reduced

CORRECTION in table 1, page 4 of "The Wheat Situation", May 23, 1938

The 1938 acreage for spring wheat in the United States is that indicated for planting and not for harvest. The seeded acreage in 1936 was 23,959,000 acres and in 1937 was 23,750,000 acres.

The first estimate of the production in India places the crop at 380 million bushels. This is the third largest crop on record, and the quality is said to be average or above average.

The Agricultural Commissioner at Shanghai, reporting on conditions in China, states that weather conditions are favorable in the Hankow region, but heavy rain in the lower Yangtze Valley is considered somewhat unfavorable. Early information indicates a crop equal to or slightly larger than that of last year. Reporting on the Japanese crop, the Commissioner estimates that the crop may be 95 to 100 percent of the 1937 crop, depending on the weather between now and harvest time. He calls attention to the fact that, although the present general condition of the crop is normal, the most critical period will come later in the season.

In Argentina field work for wheat seeding is progressing actively, and it is expected that an acreage larger than that of last year will be seeded if conditions continue favorable.

Rains received in Australia have been insufficient to break the prolonged drought. A decrease of 1.5 million acres from last year's seedings is expected, and germination is said to be unsatisfactory. Because of dried up pastures in the interior, wheat is still being fed to livestock.

In Soviet Russia, where spring sowings were behind schedule for some time, the sowings are now reported ahead of those for the same period in 1937, and the condition of the winter sown crop is good.

Some increase in the forecast of world trade probable

It now appears that the Bureau's forecast of net imports of 485 million bushels of wheat by deficit countries, for the year beginning July 1, 1937, may be revised upward in June by perhaps 10 million bushels. The revisions will include some increase for Spain and Portugal. Comparable import figures for a year earlier were 563 million bushels. Tables 8 to 11 show figures on the movement of wheat in international trade this season compared with corresponding periods and totals for other years.

Table 2 shows the estimates wheat surplus for export or carry-over on May 1 in the four principal exporting countries, together with United Kingdom port stocks and stocks afloat. These total 425 million bushels which is 127 million bushels more than a year earlier but 34 million bushels less than on May 1,1936.

With the first estimate of the 1938 wheat crop in India placed at 380 million bushels and the carry-over on April 1 somewhat smaller than in 1937, total domestic wheat supplies in India are about the same as those for last season, when about 386 million bushels were harvested. With the probability that a larger quantity will be used domestically in 1938-39, exports of wheat, including flour in terms of wheat, are expected to be about 17 million bushels 1/ compared with 19 million bushels exported from April 1937 through March 1938, - the largest amount exported since 1924-25 when 46 million bushels were shipped over-seas.

United States exports of wheat and flour made wholly of domestic wheat 2/ in terms of grain totaled 68 million bushels from July 1, 1937 through March this year, and shipments to our possessions reached 2 million bushels. Exports during April, on the basis of weekly reports, will probably approximate 8 million bushels. Therefore, from July through April United States exports together with shipments of wheat may approximate 78 million bushels.

1/ Forecast by J. Barnard Gibbs, Assistant Agricultural Commissioner, Calcutta, India.

2/ Estimate in "The Wheat Situation", April 23, 1938, included flour made from imported wheat.

Table 2.-Wheat surplus for export or carry-over in the four principal exporting countries, United Kingdom port stocks and stocks afloat, May 1, 1935-38 1/

Position	1935	1936	1937	1938
	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.
United States:				
In United States	133	109	72	217
In Canada	1	0	0	1
Canada:				
In Canada	237	203	65	46
In United States	12	12	10	1
Argentina	97	42	33	49
Australia	69	51	55	62
Total	549	417	235	376
United Kingdom port stocks	11	10	12	9
Stocks afloat to:				
United Kingdom	15	14	14	13
Continent	7	10	24	14
Orders	8	8	13	13
Total	41	42	63	49
Grand total	590	459	298	425

1/ For other than the United States: Carry-over at the beginning of the year (Canada, July 31; Argentina, January 1; Australia, December 1 of the previous year) plus production, minus domestic utilization for the year, minus monthly exports to date. For the United States: Year-end stocks minus imports for the year plus May-June exports and shipments (1938 figure based on carry-over on June 30, 1938 of 201 million bushels, imports of 1 million bushels, and May-June exports of 17 million bushels).

Foreign prices continue weak

After an advance during the first half of April, influenced by drought damage in Italy and North Africa, wheat prices in foreign markets have moved generally downward because of favorable prospects for the North American wheat crop, heavy offerings of Australian wheat, and a slow demand. By the middle of May, however, foreign markets displayed a firm tone despite forecasts of a large North American crop. For the week ended May 13 prices of United States Hard Red Winter and White wheat were relatively low compared with prices for wheat from other countries. Prices of Indian wheat are higher compared with prices of Pacific White and Australian, reflecting average or above-average quality of the newly harvested Indian crop.

Table 3 shows Friday prices of imported wheat at Liverpool from six countries including the United States, and table 6 the closing prices of July futures at Winnipeg, Liverpool, and Buenos Aires, and at Chicago, Kansas City, and Minneapolis.

Table 3.-Prices of imported wheat at Liverpool

Date (Friday)	Hard wheats				Soft wheats		
	U. S. (Gulf) No. 2 Hd. Winter	Argentine Rosafe	Canada No. 3 Manitoba 1/	Russian	U. S. (Pacific) White	Australian 1/	India choice Karachi 1/
	Cents	Cents	Cents	Cents	Cents	Cents	Cents
1938							
Jan.							
7	128.1	129.7	153.9	---	114.1	116.4	---
14	129.4	134.1	154.4	---	113.1	117.0	---
21	129.7	130.5	148.4	---	112.5	116.4	---
28	126.7	126.7	152.0	---	112.6	116.5	116.5
Feb.							
4	126.1	129.2	143.3	---	114.4	116.7	115.1
11	125.5	129.5	144.4	132.6	113.0	116.9	113.8
18	121.9	128.1	---	---	109.3	115.6	112.4
25	122.3	123.1	144.3	---	112.1	---	114.1
Mar.							
4	2/ 126.1	126.9	---	123.8	110.4	113.5	107.4
11	2/ 117.3	121.2	---	117.3	105.6	112.6	104.2
18	2/ 116.2	117.0	130.9	114.6	104.6	106.9	103.0
25	2/ 117.0	113.9	130.2	105.4	101.5	105.4	101.5
Apr.							
1	2/ 116.3	117.1	134.2	107.0	103.9	103.2	101.6
8	2/ 112.5	114.8	137.3	101.6	100.9	100.9	100.1
14	2/ 114.0	114.0	---	---	98.5	102.4	---
22	2/ 116.9	115.3	---	---	99.7	107.5	---
29	2/ 112.2	---	---	---	97.4	105.2	102.9
May							
6	2/ 109.2	103.7	126.3	---	95.1	95.1	100.6
13	2/ 110.3	112.7	125.1	---	95.6	101.8	98.7

1/ Empire wheat qualifying for Imperial Preference is exempt from duty (approximating 6 cents per bushel) under Ottawa Agreements of November 1932.

2/ No. 1 Dark Hard Winter.

THE DOMESTIC WHEAT SITUATION

BACKGROUND.-The carry-over of wheat in the United States for the 5-year period (1924-28) averaged about 115 million bushels. Stocks which began to accumulate in 1929 reached the record peak of 378 million bushels in 1933. Four small wheat crops since that time, however, reduced stocks to about 100 million bushels by July 1, 1937. Domestic disappearance during the 5 years (1932-36) averaged 670 million bushels.

Domestic wheat prices from the spring of 1933 to that of 1937 were unusually high relative to world market prices, because of four small domestic crops caused largely by abnormally low yields per acre. During 1936-37 both world and domestic prices advanced sharply as a result of increased demand and the smallest supplies in recent years.

Early in the 1937-38 season, domestic and foreign wheat prices rose sharply following reports of serious damage to the Canadian crop and the threat of rust damage in the United States. It was thought possible at that time that world prices might remain sufficiently above the 1936-37 level to offset the decline in United States prices to an export basis. However, with an increase of over 100 million bushels in the estimate of the world crop, excluding that of Soviet Russia and China, the likelihood of large shipments from Soviet Russia, a slow European demand, disturbed business conditions, and a falling general commodity price level, wheat prices in world markets have declined. The price of wheat at local United States markets, weighted by monthly sales, will average somewhat under $1 a bushel in 1937-38 compared with $1.03 in 1936-37.

Crop prospects some larger than a month ago

A winter wheat production of 754,153,000 bushels was indicated on May 1. This is 28,446,000 bushels or about 4 percent more than indicated a month earlier. Last year's production was 685,102,000 bushels and the 10-year (1927-36) average production, 546,396,000 bushels.

The acreage of winter wheat remaining for harvest is estimated at 50,677,000 acres, compared with 46,946,000 acres harvested in 1937 and the 10-year (1927-36) average of 37,281,000 acres. This year's acreage for harvest is the largest on record. The previous record harvested acreage was 50,404,000 acres in 1919.

Of the near-record sown area of 57,316,000 acres for harvest this year, about 11.6 percent has been abandoned. This is substantially below the 18.5 percent abandonment of last year and 18.2 percent, the 10-year (1927-36) average. The heaviest loss of acreage has occurred in the Western Great Plains area, where dry soil conditions at seeding time last fall prevented proper germination and plant development before winter set in. Wheat in this area was also adversely affected by an acute shortage of subsoil moisture and by extensive damage from soil drifting. In the remainder of the country, except in the Southeastern States, abandonment is much below average.

May 1 prospects indicate a probable yield of 14.9 bushels per harvested acre compared with 14.6 bushels for 1937 and 14.5 bushels, the 10-year (1927-36) average harvested yield. While the improvement in winter wheat prospects during April was quite general, most of the increase took place in Kansas and Nebraska.

Since May 1, rainfall in the hard winter wheat States has been greatly in excess of normal and favorable to the spread of black stem rust, which has now made its appearance. And in parts of Oklahoma and Kansas recent heavy rains and wind have caused considerable lodging where growth was rank.

Rainfall in April and the first 3 weeks of May has been above average in the spring wheat areas, except in eastern Montana, where recent rains have partly offset the great deficiency in April rainfall. Northern Minnesota and eastern South Dakota have received more than normal rainfall. As pointed out last month 3/, April and May precipitation is very important in the production of the spring wheat crop. Spring wheat production will be estimated in the Bureau's Crop Report on June 10.

Carry-over July 1, 1938 again estimated at about 200 million bushels

Wheat stock in the United States on April 1 were estimated at 332 million bushels, 121 million bushels larger than a year earlier, and 61 million bushels more than on April 1, 1936. Table 4 shows estimated stocks in the different positions beginning with April 1, 1932. Stocks on January 1 were estimated at 534 million bushels, and the January-March net exports and shipments of wheat and flour made wholly of United States wheat totaled approximately 30 million bushels. With April 1 stocks at 332 million bushels, a January-March disappearance of 172 million bushels is indicated. The disappearance during the July-December period was placed at 391 million bushels. Disappearance from January through March 1937 was estimated at 165 million bushels, and that for July-December 1936 at 416 million bushels.

Table 4.-Wheat stocks in the United States on April 1, 1932-38

Item	1932	1933	1934	1935	1936	1937	1938
	Mil. bush.	Mil. bush.	Mil. bush.	Mil. bush.	Mil. bush.	Mil. bush.	Mil. bush.
On farms	172	183	119	99	99	71	125
Interior mills and elevators	69	96	87	68	50	39	73
Commercial stocks	207	136	97	52	50	35	54
Merchant mills, including stored for others 1/	92	100	92	75	72	66	80
Total stocks	540	515	395	294	271	211	332

1/ Bureau of the Census raised to represent all merchant mills.

3/ "The Wheat Situation", April 1938, page 10.

Table 5 shows the estimated supply and distribution of wheat for the 5 years 1932-33 to 1936-37 and revised figures for 1937-38 which are partially forecasts 4/. Changes from the previously published figures are very small. It now appears that exports of wheat and flour in terms of wheat, during the years from July 1937 through June 1938, may possibly be somewhat larger than the 95 million bushels previously predicted by the Bureau. On the basis of reported exports through March, and weekly indications to date, it would appear that exports may somewhat exceed 95 million. The quantity of wheat reported by farmers as used for feed this year has not been summarized to date and the forecast of disappearance is probably, therefore, somewhat less accurate than it would be were such a summary available. The quantity of wheat fed largely accounts for the variation in total annual domestic disappearance.

4/ Supply and distribution by classes was published in "The Wheat Situation," February 1938, page 10.

Table 5.- Supply and distribution of wheat, 1932-33 to 1937-38

Item	1932-33	1933-34	1934-35	1935-36	1936-37	1937-38
	Million bushels	Million bushels	Million bushels	Million bushels	Million bushels	Million bushels
Stocks July 1 1/	375	378	274	148	142	103(2/ 91)
New crop	757	552	526	626	627	874
Imports 3/	---	---	16	34	34	1
Total supply	1,132	930	816	808	803	978(2/966)
Exports & shipments 4/	35	29	13	7	12	95
Stocks June 30	378	274	148	142	103(2/ 91)	201
Disappearance 5/	719	627	655	659	688(2/700)	682(2/670)

1/ Comparable series of July 1 stocks contains some new wheat. 2/ In 1937 new wheat was estimated at 12 million bushels, which if deducted, would result in stocks on July 1 of 91 million bushels and a disappearance of 670 million bushels. 3/ From reports of Foreign and Domestic Commerce of the United States. Imports include full-duty wheat, wheat paying a duty of 10 percent ad valorem, and flour in terms of wheat. 4/ From reports of Foreign and Domestic Commerce of the United States. Exports and shipments include regular exports plus shipments to Alaska, Hawaii, and Puerto Rico, and include wheat and flour made wholly from domestic wheat.
5/ Balancing item.

Price trend downward toward new crop basis

Wheat prices in domestic markets are now at a lower level than a month ago. Advancing wheat prices in foreign markets during the first half of April served to check the decline in domestic prices which has taken place since early January. During the last half of April domestic prices declined, influenced largely by favorable prospects for the North American wheat crop. During the first half of May prices were mostly firm, although spring wheat prices declined with promising crop prospects in the spring wheat area. Tables 6 and 7 show wheat prices at specified domestic and foreign markets.

The trend in domestic and foreign wheat prices is expected to continue downward as further adjustment is made toward the new crop basis. While prospects at present are for a large world crop, any reverses over wide areas will be reflected in higher prices. This is especially true of hard milling wheat, since remaining world stocks of good quality hard wheat are small.

As at least a partial offset to the price effect of large prospective wheat supplies, loans provided under the Agricultural Adjustment Act of 1938 would serve as a check on declining prices. If parity price remains about unchanged, loans to farmers under the Act would average not less than 60 cents, which is about 10 cents lower than current average local market prices.

Table 6.- Average closing prices of July wheat futures, specified markets and dates, 1937 and 1938

Date	Winnipeg 1/		Liverpool 1/		Buenos Aires 2/		Chicago		Kansas City		Minneapolis	
	1937	1938	1937	1938	1937	1938	1937	1938	1937	1938	1937	1938
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
Month -												
Jan.	120.0	118.3	127.0	104.0	---	---	114.6	89.9	110.1	87.3	131.9	102.1
Feb.	121.7	119.0	127.9	111.5	---	---	116.0	89.9	111.2	87.1	131.1	101.6
Mar.	131.9	110.9	137.2	103.4	---	---	121.9	84.2	117.0	80.6	135.0	94.8
Apr.	134.9	111.6	142.0	100.3	---	---	122.4	80.9	117.9	76.9	133.6	89.9
Week ended -												
Apr. 2	143.1	109.3	147.6	99.8	---	---	128.2	82.1	123.0	78.2	141.4	92.4
9	142.4	110.3	151.2	98.5	---	---	127.2	80.2	122.5	75.9	138.9	89.7
16	133.6	113.7	140.7	101.0	117.7	100.5	122.1	81.0	117.4	76.9	133.6	90.2
23	131.1	113.5	138.8	102.5	120.2	100.2	119.7	82.3	115.4	78.2	130.2	91.2
30	127.7	110.0	133.9	100.3	119.3	98.3	117.6	79.9	113.7	76.2	127.6	88.2
May 7	129.8	108.7	138.4	98.7	121.6	98.2	118.2	78.7	113.9	75.3	127.6	85.4
14	127.3	105.6	137.7	97.4	119.4	93.2	116.2	78.6	112.8	75.1	125.5	85.7
High 3/	142.4	113.7	151.2	102.5	121.6	100.5	127.2	82.3	122.5	78.2	138.9	91.2
Low 3/	127.3	105.6	133.9	97.4	117.7	93.2	116.2	78.6	112.8	75.1	125.5	85.4

1/ Conversions at noon buying rate of exchange. 2/ June futures. 3/ April 9 to May 14, 1938, and corresponding dates 1937.

Table 7.- Weighted average cash price of wheat, specified markets and dates, 1937 and 1938

Date	All classes: and grades six markets		No. 2 Hard Winter: Kansas City		No. 1 Dk.N.Spring: Minneapolis		No. 2 Hard Amber Durum: Minneapolis		No. 2 Red Winter: St. Louis		Western White: Seattle 1/	
	1937	1938	1937	1938	1937	1938	1937	1938	1937	1938	1937	1938
Month -	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
Jan.	144.3	102.4	138.0	102.7	165.9	127.0	171.3	108.7	139.6	100.2	112.2	88.9
Feb.	138.5	98.8	136.5	99.6	159.4	125.1	170.0	110.1	143.2	99.3	114.4	90.0
Mar.	141.6	93.0	133.6	91.5	153.0	119.2	183.2	105.3	143.0	91.6	117.0	86.2
Apr.	140.8	86.2	140.0	84.6	160.0	110.5	172.0	100.0	143.6	85.0	119.5	81.4
Week ended -												
Apr. 9	145.5	85.6	144.5	83.9	169.8	109.1	164.2	98.7	144.7	85.6	122.0	82.2
16	138.4	86.8	135.9	85.3	155.3	110.0	160.8	97.7	142.3	84.8	119.8	80.2
23	137.0	87.7	137.4	86.1	153.5	115.0	152.5	101.4	---	85.7	119.1	82.0
30	131.8	84.4	134.0	82.8	150.4	108.5	124.6	100.7	135.5	83.2	116.8	80.2
May 7	133.0	83.9	135.6	80.6	141.6	113.1	127.8	93.0	135.8	79.7	117.8	79.8
14	129.8	84.9	129.7	81.9	146.3	106.3	127.9	89.3	130.7	79.8	112.1	79.3
High 2/	145.5	87.7	144.5	86.1	169.8	115.0	164.2	101.4	144.7	85.7	122.0	82.2
Low 2/	129.8	83.9	129.7	80.6	141.6	106.3	124.6	89.3	130.7	79.7	112.1	79.3

1/ Weekly average of daily cash quotations, basis No. 1 sacked.
2/ April 9 to May 14, 1938 and corresponding dates for 1937.

ACREAGE AND CONDITION OF FALL SOWN RYE

Estimates of the acreage sown to rye in 13 countries for which reports are available indicate an increase of 2 percent, compared with the estimated acreage sown last year (table 12). The acreage of rye for harvest in the United States is estimated at 4,059,000 acres or about 6 percent above the acreage harvested in 1937. The indicated yield per harvested acre, estimated as of May 1 at 12.8 bushels, is above the 1927-1936 average of 11.3 bushels. The indicated production this year is 51,755,000 bushels, compared with the 1937 harvest of 49,449,000 bushels. The May 1 condition of the crop was 82 percent of normal. Table 13 shows acreage, condition, and production in important producing states and the total for the United States for 1938 compared with the last 2 years.

The intended Canadian acreage of all rye for harvest in 1938 is 661,800 acres, compared with 893,700 acres in 1937. Winter-kill this year amounted to 9 percent compared with 8 percent last year. The condition of fall rye on April 30, estimated at 94 percent of normal, was the same as a year ago.

In the principal rye producing countries of Europe the May 1 condition of the winter rye crop ranges around average. In Poland, the condition is below average, in Germany slightly above average, and in Czechoslovakia about average. The condition in Lithuania is reported at 97 percent of normal.

Table 8.- Movement of wheat, including flour, from principal exporting countries, 1934-35 to 1937-38

Country	Exports as given by official sources: Total 1934-35	Total 1935-36	Total 1936-37	July 1 to date shown: 1935-36	July 1 to date shown: 1936-37	July 1 to date shown: 1937-38	Date
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	
United States 1/	21,532	15,929	21,584	11,589	15,584	73,887	Mar. 31
Canada	169,630	237,447	213,028	180,412	189,497	81,215	Apr. 30
Argentina	187,000	76,577	162,085	64,625	130,980	50,047	Mar. 31
Australia	108,007	102,258	95,970	64,614	54,049	60,970	Feb. 28
Russia	4,286	29,704	4,479	27,540	2,762	33,766	Jan. 31
Hungary	12,499	14,644	27,428	9,190	20,805	6,996	Feb. 28
Yugoslavia	4,401	728	17,302	124	11,115	4,626	Feb. 28
Rumania	3,432	6,391	35,540	9,996	24,237	26,760	Feb. 28
Bulgaria	375	988	7,273	954	5,085	5,945	Feb. 28
British India	2,318	2,556	14,674	1,331	8,061	2,890	Dec. 31
Total	513,480	487,222	599,363				

	Shipments as given by trade sources: Total 1935-36	Total 1936-37	Week ended 1937-38: Apr. 30	May 7	May 14	July 1 - May 14: 1936-37	1937-38
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
North America 2/	220,464	225,902	4,104	3,816	3,691	200,536	158,851
Canada, 4 markets 3/	246,199	194,531	3,128	1,757	2,356	178,008	75,208
United States	7,219	10,049	2,777	2,551	2,288	8,114	74,197
Argentina	78,312	164,678	1,384	1,484	1,018	154,310	57,616
Australia	110,576	105,836	5,480	3,784	5,252	86,072	109,192
Russia	29,024	88	904	200	240	88	40,032
Danube & Bulgaria 4/	8,312	65,544	208	272	176	57,976	35,368
British India	5/2,556	5/14,674	88	144	120	8,936	12,586
Total 6/	449,244	576,722				507,918	413,645
Total European shipments 2/	360,264	484,600	10,608			7/403,502	7/333,008
Total ex-European shipments 2/	131,760	127,192	2,000			7/110,800	7/ 80,296

1/ Includes flour milled in bond from foreign wheat.
2/ Broomhall's Corn Trade News.
3/ Fort William, Port Arthur, Vancouver, Prince Rupert, and New Westminster.
4/ Black Sea shipments only.
5/ Official.
6/ Total of trade figures includes North America as reported by Broomhall's but does not include items 2 and 3.
7/ To April 30.

Table 9.- Shipments of wheat, including flour from principal exporting countries, specified dates, 1936-37 and 1937-38

Period	Argentina		Australia		Danube		North America	
	1936-37	1937-38	1936-37	1937-38	1936-37	1937-38	1936-37	1937-38
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
July-Mar.	128,934	49,016	72,992	80,152	48,360	32,872	182,560	140,960
Week ended-								
Apr. 9	7,536	1,032	1,992	4,520	488	688	2,248	1,456
16	5,504	1,888	2,044	6,016	1,320	624	2,880	2,488
23	5,992	1,824	2,624	3,988	1,184	528	2,048	2,336
30	2,572	1,384	1,128	5,480	2,368	208	3,136	4,104
May 7	1,696	1,484	2,236	3,784	2,640	272	2,792	3,816
14	2,076	1,018	3,056	5,252	1,616	176	4,832	3,691

Compiled from Broomhall's Corn Trade News.

Table 10.- Exports of wheat and wheat flour from the United States, 1936-37 and 1937-38
(Includes flour milled in bond from foreign wheat)

Period	Wheat		Wheat flour		Wheat including flour	
	1936-37	1937-38	1936-37	1937-38	1936-37	1937-38
	1,000 bushels	1,000 bushels	1,000 barrels	1,000 barrels	1,000 bushels	1,000 bushels
July-Mar.	1,866	56,604	2,919	3,677	15,584	73,887
Week ended-						
Apr. 9	0	538	35	92	164	970
16	0	1,217	10	55	47	1,475
23	48	1,378	41	52	241	1,622
30	84	2,584	41	41	277	2,777
May 7	66	2,114	41	93	259	2,551
14	75	1/2,076	28	1/45	207	1/2,288

Compiled from reports of the Department of Commerce. Data for total exports from the United States by weeks are not available. These data are the total of exports through 16 of the principal ports.

1/ Preliminary.

Table 11.- Net imports of wheat, including flour, into European countries, year beginning July 1, 1936-37 and 1937-38

Country	1936-37	1937-38 1/ forecast	Net imports reported July 1 to	1936-37	1937-38
	Mil.bu.	Mil. bu.		Mil. bu.	Mil. bu.
Austria	10	10	Feb. 28	5	4
Belgium	40	40	Feb. 28	28	27
Czechoslovakia	2/ -11	2/ - 1	Mar. 31	2/ -5	2/ - 2
Denmark	7	6	Mar. 31	6	5
Finland	4	3	Feb. 28	2	2
France	7	21	Jan. 31	4	8
Germany	23	29	Mar. 31	2	37
Greece	21	13	Jan. 31	12	8
Ireland	14	13	Mar. 31	11	11
Italy	54	10	Mar. 31	25	5
Latvia	1	1	Feb. 28	3/	1
Netherlands	21	24	Mar. 31	16	18
Norway	9	8	Mar. 31	5	5
Poland	2/ -6	0	Mar. 31	2/ -6	4/
Portugal	4/	3	Jan. 31	3/	3/
Sweden	4/	2/ - 1	Mar. 31	4/	2/ -1
Switzerland	19	16	Mar. 31	13	11
United Kingdom	199	200	Feb. 28	133	126
Total imports of above	429	397			
Spain	6	3			
Total imports	435	400		262	268
Total exports	17	2		11	3
Total, net imports	418	398		251	265

Compiled from official sources except as otherwise stated.

1/ Based on forecasts by European offices of the Bureau of Agricultural Economics.

2/ Net exports.

3/ Less than 500,000 bushels.

4/ Net exports of less than 500,000 bushels.

Table 12.- Winter rye: Acreage sown in specified countries, 1936-38

(Acreage sown, except as otherwise stated)

Country	Year of harvest		
	1936	1937	1938
	1,000 acres	1,000 acres	1,000 acres
United States 1/	2,757	3,839	4,059
Canada 2/	625	894	662
Total (2)	3,382	4,733	4,721
Belgium	385	375	380
Bulgaria	402	426	436
Czechoslovakia 3/	2,510	2,413	2,453
France 4/	1,611	1,620	1,621
Germany	11,006	10,122	10,285
Greece	160	160	4/ 171
Lithuania	1,207	1,251	1,327
Luxemburg	19	15	15
Poland	14,346	14,076	14,471
Rumania	1,021	1,052	1,102
Yugoslavia	551	544	530
Total (11)	33,218	32,054	32,791
Total 13 countries	36,600	36,772	37,512

1/ Harvested or for harvest.
2/ All rye, harvested or for harvest.
3/ All rye.
4/ Sowings to January 1.

Table 13.- Acreage, yield, and production of rye in the United States

State	Acreage left for harvest for grain 1938	Yield per acre			Production		
		1927-36	1937	Indicated 1938	1927-36	1937	Indicated 1938
	1,000 acres	Bushels	Bushels	Bushels	1,000 bushels	1,000 bushels	1,000 bushels
Wis.	316	10.8	13.5	12.5	2,358	4,590	3,950
Minn.	586	14.7	19.0	18.0	5,714	10,716	10,548
N.Dak.	908	9.7	10.0	11.5	9,811	6,720	10,442
S.Dak.	634	10.9	12.0	13.0	3,388	6,108	8,242
Nebr.	432	9.3	10.0	10.0	2,655	3,900	4,320
Other States.	1,183	--	--	--	12,528	17,415	14,253
U. S.	4,059	12.0	12.9	12.8	36,454	49,449	51,755

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